REMARKS

The undersigned attorney thanks Examiner Tomaszewski for his careful review of this patent application. Reconsideration of the present application is respectfully requested in view of the following remarks. Claims 1-8, 17-19, 24-30, and 32-35 are currently pending in this Application.

A. Interview Summary

The undersigned attorney thanks Examiner Tomaszewski for his kind participation in an Examiner Interview held May 23, 2007. During the interview Examiner Tomaszewski and the undersigned attorney discussed the pending claims and the cited references.

B. Correction of Antecedent Basis

Claims 1, 5, and 17 were amended to correct errors with respect to the antecedent basis of the term "insured entity". Specifically, in the *Preliminary Amendment to RCE* filed August 25, 2006, the Applicant substituted the term "insured healthcare facility" for the term "insured entity". Instances of the prior term remained in claims 1, 5, and 17 and the present amendment is intended to remedy this oversight. Additionally, in these same claims, there were a few instances where the claim term "insurance program requirements" was referred to as "program requirements". Accordingly, the present amendment added the word "insurance" to "program requirements" to provide a consistent recitation through each claim.

The Applicant respectfully submits that the present amendment is not made for purposes of overcoming the prior art, but was made merely to correct previous typographical errors.

C. Brief Summary of the Claimed Invention

The Applicant respectfully submits that the claimed invention is patentable over the cited references, as explained in greater detail below with reference to the specific rejections. The claimed invention is directed toward a system and method for improving the performance of a healthcare facility and reducing the insurance costs associated with the healthcare facility.

As described in the patent application, there are many risks associated with operating a healthcare facility. These risks may be reduced using various techniques directed toward fall prevention, wound care, documentation guidelines, nutritional issues, security issues, pharmacy/drug programs, sexual harassment programs, and other similar issues. See patent application p. 9 ln. 3-11. Typical healthcare facility insurance programs base insurance rates on a facility's past performance and past insurance claims as well as typical performance within the industry. The claimed invention provides a system and method for improving the performance of a healthcare facility by implementing a program designed to reduce the risks of accidents, thereby reducing the cost of insuring the facility. Such reduction in the cost of insuring the facility is achieved by the mandated parameters of the insurance program requirements through conformance and monitoring applications and third party participation. The program includes specific program requirements to be followed by the healthcare facility. Additionally, the healthcare facility's conformance with these program requirements is monitored to assure that the healthcare facility is following the program. See p. 9 ln. 12 - p. 10 ln. 23. By assuring that the healthcare facility is following the program, the insurance company is able to reduce the risk of claims and thus can offer lower rates to the healthcare facility.

D. <u>The 35 U.S.C. § 103 Rejections based on Martinez in view of Minturn</u>

Claims 1-2, 5-8, 24-28, and 33-35 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Martinez ("Hospital Passes Review By National Accreditation Agency", July 19, 2000; hereinafter "Martinez") in view of U.S. Patent No. 5,692,501 to Minturn (hereinafter Minturn). Additionally, claims 3-4, 17-19, 29-30, and 32 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Martinez, Minturn, and further in view of Official Notice.

The Applicant respectfully submits that the present invention is patentable over the present rejections for at least the following reasons:

1. Martinez is not an enabling disclosure

The Applicant respectfully submits that Martinez is not enabling, and cannot be used as prior art. In order for a reference to be used as prior art against a claimed invention, it must be an "enabling disclosure." See *Elan Pharms., Inc. v. Mayo Found.*, 346 F.3d 1051 (Fed. Cir. 2003) ("To serve as an anticipating reference, the reference must enable that which it is asserted to

anticipate"). "The level of disclosure required with a reference to make it an 'enabling disclosure' is the same no matter what type of prior art is at issue." MPEP § 2121. Put simply, an "enabling disclosure" must meet the requirements of 35 U.S.C. § 112 in order to be used as prior art. See *Akzo N.V. v. U.S. Int'l Trade Comm.*, 808 F.2d 1471, 1479 (Fed. Cir. 1986); *In re Hall*, 781 F.2d 897, 899 (Fed. Cir. 1986) ("so that ... one by examining the [prior art] reference could make the claimed invention without further research or experimentation"); *In re Donahue*, 766 F.2d 531, 533 (Fed. Cir. 1985); *In re Payne*, 606 F.2d 303, 314 (C.C.P.A. 1979) ("References relied upon to support a rejection under § 103 must provide an enabling disclosure, *i.e.*, they must place the claimed invention in the possession of the public"); and *Pfizer, Inc. v. International Rectifier Corp.*, 545 F.Supp. 486, 522 (C.D.Cal. 1980), aff'd, 685 F.2d 357 (9th Cir. 1982) ("A prior art publication cannot be modified by the knowledge of those skilled in the art ... information conveyed by prior art is crystallized as of the date it is made public and the crystals cannot be corrected or altered to convey information or facts later acquired by others skilled in the art").

Martinez is merely a newspaper article that describes a hospital that has been granted JCAHO accreditation. It does not include any details about how one of skill in the art would practice the invention claimed in the pending application. For example, using only the text of Martinez, one could not practice the method of determining insurance program requirements designed to reduce risks of accidents associated with the healthcare industry; formulating an insurance program containing the insurance program requirements; reducing risks of accidents associated with the healthcare industry by implementing procedures designed for the insured healthcare facility to meet the insurance program requirements; monitoring the results of the procedures to identify the conformance of the insured healthcare facility to the program requirements; identifying the conformance of the insured healthcare facility to the program requirements; and communicating data indicative of the conformance of the insured healthcare facility to an interested third party as recited in claim 1. Martinez is clearly lacking any enabling disclosure.

Accordingly, since Martinez is not an enabling disclosure, it should not be used as part of any obviousness rejection. However, in order to fully respond to the pending rejections, the

Applicant will also explain why the pending rejections would not render the pending claims obvious even if Martinez were an enabling disclosure.

2. **Claim 1 is not obvious in light of Martinez and Minturn**

The Applicant respectfully submits that neither Martinez nor Minturn, taken alone or in combination, teach each and every limitation of any of the pending claims.

Martinez is a newspaper article reporting that a hospital has been granted JCAHO accreditation. Martinez states that "without JCAHO accreditation, a hospital cannot qualify for federal Medicare funds or receive payment from health-insurance providers." *See Martinez abstract.* JCAHO is an organization that inspects hospitals to determine whether the hospital meets the JCAHO standards. Martinez mentions that Medicare requires a hospital to have JCAHO accreditation in order for the hospital to receive payment for treating insured patients.

Importantly, in the scenario described in Martinez, patients are "insured" by an insurance company and the hospital is inspected by JCAHO. Therefore, the "insured" (*i.e.*, the patients) are not being monitored. In contrast to Martinez, the present invention focuses on formulating an insurance program for an insured healthcare facility and monitoring that insured healthcare facility to ensure that the insured healthcare facility follows the insurance program. Accordingly, Martinez describes a fundamentally different scenario from the claimed invention. Specifically, the present invention claims that an insured healthcare facility is monitored while Martinez describes that a facility that treats insured patients is inspected. This fundamental difference leads to many distinctions between Martinez and the claimed invention. For example, the following claim chart is provided to illustrate significant differences between Claim 1 and Martinez:

Claim 1 claim element	**Contrasting Element in Martinez**
determining insurance program requirements designed to reduce risks of accidents associated with the healthcare industry;	Martinez does not teach this element. Rather, Martinez merely discloses that some insurance companies will not pay unaccredited hospitals.
formulating an insurance program containing the insurance program requirements;	JCAHO is not an insurance program and does not include insurance program requirements.
reducing risks of accidents associated with the healthcare industry by implementing procedures designed	Martinez does not describe implementing procedures for an insured healthcare facility to meet the insurance

for the insured healthcare facility to meet the insurance program requirements;	program requirements. Additionally, Martinez does not even disclose an insured healthcare facility. Rather, the only insurance referenced is patient insurance.
monitoring the results of the procedures to identify the conformance of the insured healthcare facility to the program requirements;	Since Martinez does not disclose either the determining of insurance program requirements or the implementation of procedures, it is not surprising that it also does not disclose monitoring the results of the procedures.
identifying the conformance of the insured healthcare facility to the program requirements; and	Martinez does not disclose identifying the conformance of the insured healthcare facility to the program requirements because it did not disclose determining the program requirements.
communicating data indicative of the conformance of the insured healthcare facility to an interested third party.	Martinez does not disclose communicating data indicative of the conformance of the insured healthcare facility to an interested third party.

As shown in the claim chart above, Martinez does not reasonably describe any aspects of claim 1. Rather, Martinez merely reports the existence of an accreditation organization that determines whether a hospital meets its standards. The described accreditation organization does not offer insurance and thus does not disclose each of the recited limitations which depend upon the formulation of an insurance program.

In addition to Martinez, the *Office Action* also cites Minturn as disclosing the step of "monitoring the results of the procedures to identify the conformance of the insured healthcare facility to the program requirements." In support of this proposition, the *Office Action* identifies col. 9, lines 45-54 of Minturn, which references "Scientific 10-Point Wellness Scales and Insurability Factorings" which can be used in a monitoring program. While this may sound similar to certain concepts claimed in the present application, a closer examination of the specification uncovers several differences. Specifically, the cited portion of Minturn does not give any details about how the Minturn system works. However, Col. 30, lines 35-65 of Minturn provide a more detailed description of this feature. For example, Minturn discloses that the wellness scales and insurability factorings may be used for setting premiums and deductibles. This is much like the systems used by many life insurance companies to determine an appropriate

premium for a specific person. Minturn does not describe that an insured person must follow a certain insurance program; rather, it merely teaches that certain factors may be considered in setting rates.

Claim 1 claim element	**Contrasting Element in Minturn**
monitoring the results of the procedures to identify the conformance of the insured healthcare facility to the program requirements;	Minturn does not disclose any procedures to be followed by an insured healthcare facility and thus can not disclose monitoring the results of the procedures to identify the conformance of an insured healthcare facility to the program requirements.

This element of claim 1 recites monitoring the results of the procedures to identify the conformance of the insured healthcare facility to the program requirements. Furthermore, it should be appreciated that the program requirements that are at issue are designed to reduce risks of accidents associated with the healthcare industry. Contrarily, the scoring system described in Minturn is only used to determine how healthy a person is. It does not monitor the results of procedures to identify the conformance to any program requirements and it does not deal with reducing risks of accidents in the healthcare industry. If anything, Minturn teaches testing the wellness of a person to determine an appropriate insurance premium to charge. This is a significantly different concept.

Also, like Martinez, Minturn does not discuss insured healthcare facilities. Rather, Minturn describes evaluating the health of individuals by measuring various wellness attributes. Accordingly, the Applicant respectfully submits that Minturn is significantly different from the present invention and does not render any of the claims obvious when combined with Martinez.

Therefore, the Applicant respectfully submits that Martinez and Minturn do not teach each and every limitation of Claim 1 and thus it is in condition for allowance. Additionally, the Applicant submits that all of the independent claims contain limitations similar to those of Claim 1 and are in condition for allowance for the same reasons as stated above. The Applicant also submits that all of the dependent claims are allowable for the reasons stated above and for the further limitations contained therein.

3. **There is no motivation to combine Martinez with Minturn**

The Applicant respectfully submits that the cited references lack any motivation to be combined, and thus the obviousness rejections are improper.

Obviousness may only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so. MPEP § 2143.01; and *In re Kahn*, 441 F.3d 977, 986 (Fed. Cir. 2006) (discussing rationale underlying the motivation-suggestion-teaching requirement as a guard against using hindsight in an obviousness analysis).

Applicants respectfully submit that the *Office Action* does not set forth a *prima facie* case of obviousness. As MPEP § 2143 provides, a *prima facie* of obviousness requires three findings. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art must teach or suggest all the claim limitations. MPEP § 2143.

The *Office Action* attempts to combine the Martinez (a newspaper article about a hospital gaining JCAHO accreditation) with Minturn (a program for determining a person's wellness level based on a 10-point wellness scale).

First, there is no suggestion or motivation, either in the references or common knowledge, to enable one skilled in the art to modify Martinez in view of Minturn. Specifically, neither reference provides any support for modifying a hospital accreditation organization with a program for determining an individual's wellness level. In fact, these references address such extremely dissimilar issues that there is little or no connection between the two situations. The challenges associated with accrediting a hospital and determining a person's wellness level are significantly different, and in solving a problem associated with accrediting hospitals one would not look to a reference discussing personal wellness factors. Thus, without the use of improper hindsight reconstruction, no one would make the combination proposed in the *Office Action*.

Second, combining these references would fail to yield the claimed invention. Notably, the combination of Martinez with Minturn would fail to teach the claimed invention because neither reference describes (1) formulating the claimed insurance program (with the claimed insurance program requirements) for a healthcare facility, (2) implementing procedures for the

healthcare facility to meet the program requirements, and (3) monitoring the results of the procedures to identify the conformance of the healthcare facility to the program requirements.

The *Office Action* alleges that one of skill in the art would be motivated to combine Martinez with Minturn because there is a motivation to enhance performance of the insured by providing an incentive for an insured to abide by and conform to insurance program requirements. However, Minturn does not teach conformance to insurance program requirements and it does not relate to a healthcare facility. Additionally, Martinez and Minturn are so unrelated that the alleged motivation would not lead one of skill in the art connect these two references.

Therefore, the Applicant respectfully submits that the obviousness rejections based on the combination of Martinez and Minturn are not supported because there is no motivation to combine the references.

4. The Rejections Uses Improper Hindsight

The Applicant respectfully submits that improper hindsight was used to arrive at the obviousness rejections. In applying § 103, the U.S. Court of Appeals for the Federal Circuit (CAFC) has consistently held that one must consider both the invention and the prior art "as a whole", not from improper hindsight gained from consideration of the claimed invention. See *Interconnect Planning Corp. v. Feil,* 774 F.2d 1132, 1143 (Fed. Cir. 1985) and cases cited therein. According to the CAFC:

> [n]ot only must the claimed invention as a whole be evaluated, but so also must the references as a whole, so that their teachings are applied in the context of their significance to a technician at the time - a technician without our knowledge of the solution.

Id. Also critical to this § 103 analysis is the understanding of "particular results" achieved by the invention. *Id.*

When, as here, the § 103 rejection is based on selective combination of the prior art references to allegedly render a subsequent invention obvious, "there must be some reason for the combination other than the hind sight gleaned from the invention itself." *Id.* Stated in another way, "[i]t is impermissible to use the claimed invention as an instruction manual or

'template' to piece together the teachings of the prior art so that the claimed invention is rendered obvious." *In re Fritch* 972 F.2d 1260, 1266 (Fed. Cir. 1992).

Applicants respectfully submit that one of skill in the art would not naturally piece together the references relied upon in the present rejection. Specifically, without the present invention as a guide no one would combine a newspaper article describing a hospital accreditation organization with a scientific wellness evaluation system. Accordingly, the Applicant respectfully submits that the present rejections are improper.

5. Additional Claim Distinctions

The Applicant submits that all of the pending claims are in condition for allowance for the reasons stated above. Additionally, the Applicant submits additional support for patentability of the following claims. The Applicant reserves the right to submit additional distinctions with respect to claims not specifically discussed herein in future responses.

a. Claim 2

The Applicant respectfully submits that Martinez does not disclose that an insured healthcare facility purchases the insurance program. Rather, the only insurance referenced in Martinez is insurance that would be purchased by a patient. Thus, the elements of claim 2 help illustrate fundamental differences between Martinez and the present invention. For example, the present invention addresses an insurance program for a healthcare facility rather than an insurance policy for an individual. Since Martinez does not address healthcare facility insurance policies, it can not teach the limitation of "an insured healthcare facility purchases the insurance program."

b. Claim 24

Claim 24 recites several limitations that are similar to the limitations of Claim 1 discussed above. Additionally, Claim 24 introduces the concepts of (1) an independent program catalyst to implement the program requirements and to monitor the conformance of a target entity to the program requirements, and (2) a web-enabled software solution for providing the monitored results and the scores to the target entity, the independent program catalyst, and an interested third party. The Applicant respectfully submits that these features are not disclosed in

Martinez and Minturn. Thus, claim 24 is in condition for allowance for the reasons stated above and for the inclusion of these additional limitations.

c. Claim 28

The Applicant respectfully submits that Martinez does not disclose that the step of monitoring the results of the procedures to identify the proximity of the insured healthcare facility meeting the insurance program requirements is performed after the insurance program is issued to the insured healthcare facility because Martinez describes insurance that is issued to patients, not healthcare facilities. Additionally, Martinez states that a hospital cannot receive payment from health-insurance providers without JCAHO accreditation. Thus, the accreditation must take place before payments are made.

d. Claim 34

The Applicant respectfully submits that Claim 34 is patentable over the cited references for the reasons stated above and because Minturn does not disclose the step of "calculating a performance score indicative of the conformance of the insured healthcare facility to the insurance program requirements." Rather, Minturn describes a scoring system for determining how healthy a person is. This is different from scoring based on conformance to an insurance program. For example, a person could score very high on Minturn's wellness scale without conforming to any insurance program and another person could score very low on the wellness scale even if the person followed the program perfectly. Accordingly, Minturn calculates a wellness assessment that is not equivalent to a performance score because it is not indicative of the conformance to insurance program requirements.

e. Claim 35

The Applicant respectfully submits that Claim 35 is patentable over the cited references for the reasons stated above and because Minturn does not disclose the step of "modifying the insurance program based on the conformance to the insurance program requirements by the healthcare facility." As stated above with respect to Claim 34, Minturn describes a scoring system for determining how healthy a person is and it is not indicative of the conformance of an

insured healthcare facility to insurance program requirements. Additionally, since Minturn does not actually monitor conformance with the insurance program, it also can not modify the insurance program based on the conformance to the insurance program requirements.

CONCLUSION

The foregoing is submitted as a full and complete response to the *Office Action* mailed March 8, 2007. It is respectfully submitted that claims 1-8, 17-19, 24-30, and 32-35 are in condition for allowance and that each point raised in the *Office Action* with regard to these claims has been fully addressed. Therefore, it is respectfully requested that the rejections be withdrawn and that the case be processed to issuance in accordance with Patent Office Business.

If the Examiner believes that there are any issues that can be resolved by a telephone conference, or that there are any informalities that can be corrected by an Examiner's amendment, please contact James Schutz at 404.885.3498.

Respectfully submitted,

By: /jameseschutz48,658/
James E. Schutz
Registration No. 48,658
Attorney for Applicant

Troutman Sanders LLP
600 Peachtree Street, NE
Suite 5200
Atlanta, Georgia 30308-2216
(404) 885-3498